

The President's Daily Brief

~~Top Secret~~ 2 October 1967



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DAILY BRIEF
2 OCTOBER 1967

1. South Vietnam

Both Vietnamese and American officials now feel there is a good chance that the full assembly will give its approval to the election by today's deadline (noon Washington; midnight Saigon).

Thieu and Ky were active over the weekend in their somewhat belated campaign to get out the vote for validation. Main efforts have been directed at the Democratic Alliance Bloc, whose members have been the principal hold-outs. In what amounts to outright blackmail, the bloc has been trying to barter its votes in exchange for positions in the new government and other concessions, including money. One approach was actually made to US officials asking that Ambassador Bunker carry the bloc's demands to Thieu.

Both Thieu and Ky talked with members of the bloc on Saturday and, while they apparently made no promises, noted that a vote for rejection would threaten grave consequences. At last report, bloc leader Le Phuoc Sang was reported urging validation.

Yesterday Thieu told an American official that he thought about 50 of the estimated 90 deputies who will be present for the final vote would ballot in favor of validation.

This morning police broke up a student march. Two US newsmen were roughed up in the melee.

2. Indonesia

The students who ransacked the Chinese Communist Embassy in Djakarta yesterday have done nothing to help the lot of the four Indonesian diplomats still in Peking. The Chinese have been holding the Indonesian representatives as hostages refusing to give them exit visas. If the Chinese follow through true to form, the Red Guards will now be loosed on the Indonesians in Peking.

3. Communist China

National Day celebrations in Peking yesterday reflected an effort by the leadership to present a facade of unity while continuing to throttle back the Cultural Revolution.

Except for nine men clearly in disgrace, the entire Politburo turned out for a rally that, by past standards, was a relatively tame affair. Lin Piao was the speaker of the day--Mao was there, but silent--and his ten-minute speech was cast in tones of general moderation. So were the editorials in major newspapers.

The turn toward normalcy seems to be taking hold outside the capital. Reports from the provinces indicate order is being restored in major trouble spots.

4. India

Local tension between Chinese and Indian troops facing each other across the Sikkim border probably was responsible for yesterday's clash. This is the same situation that led to a more serious firefight last month. The site of this latest shooting is a little over three miles from the location of the earlier fight. No further firing has been reported overnight.

5. South Korea

President Pak is moving to break the political impasse which has paralyzed the National Assembly since June.

He intends to go ahead with legislative business, particularly the budget, in hopes this will force the opposition party to end its boycott and take its assembly seats. If that tactic does not work, Pak seems determined to proceed without the opposition. Such a move would generate a very considerable hue and cry and holds some danger for political stability.

6. Soviet Union

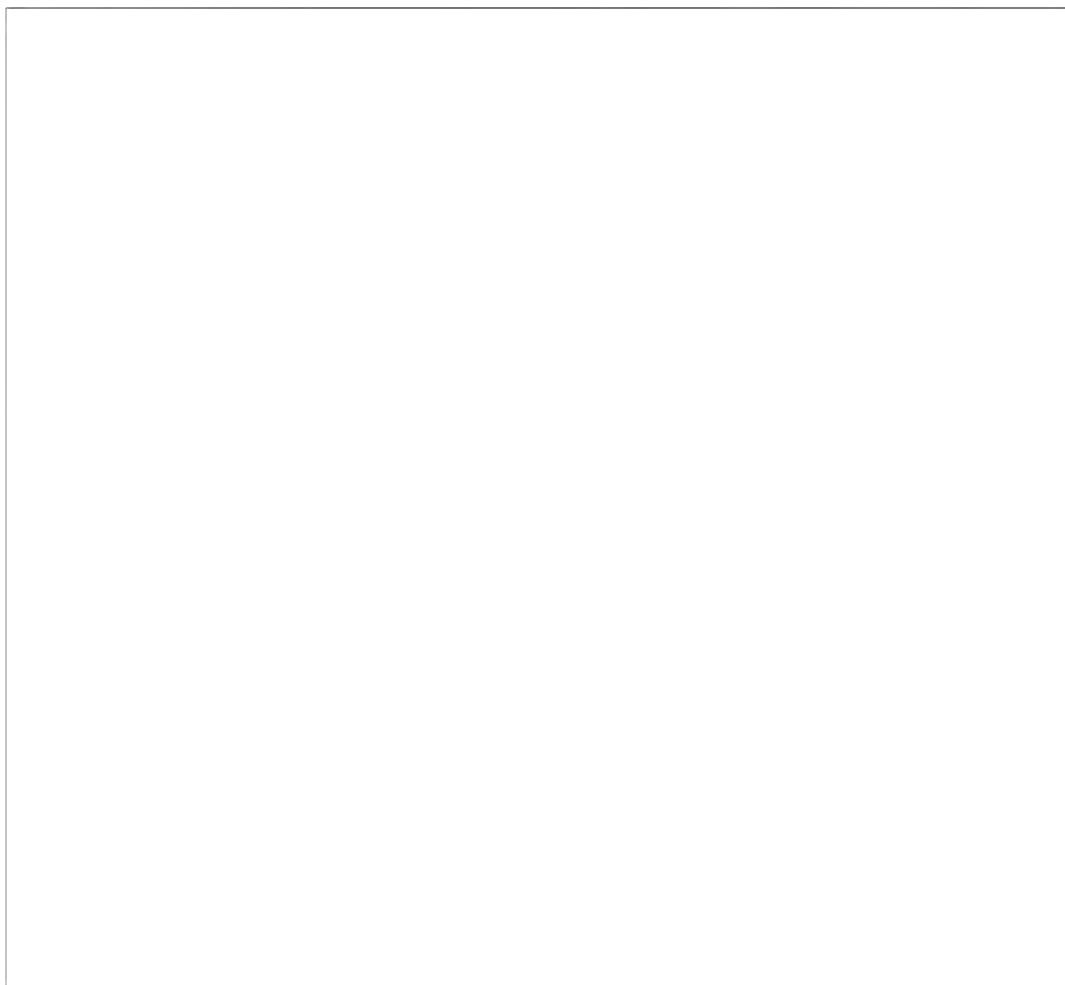
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**SPECIAL DAILY REPORT ON NORTH VIETNAM
FOR THE PRESIDENT'S EYES ONLY**



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Reaction to the President's Speech: So far,
there has been no press comment by Hanoi,

Reaction elsewhere in the world has followed generally predictable lines. The Czechs provided an interesting note when they remarked "the only different aspect in the speech was its more accommodating tone."

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Chinese National Day: The 1 October Chinese National Day celebrations in Hanoi were marked by standard Communist oratory. The Chinese, on the one hand, continued to pledge all-out support for the struggle of the Vietnamese against "US imperialism," while the Vietnamese stressed the deep friendship and militant solidarity that unite both peoples.

As expected, Chinese attacks on Soviet "modern revisionism" caused Soviet and bloc diplomats to walk out of the reception. The walkout immediately preceded a speech by Premier Pham Van Dong, who ignored the incident. The North Vietnamese premier voiced Hanoi's profound gratitude for China's aid while at the same time mentioning the aid and vigorous support received "from the fraternal socialist countries."

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Soviet Trade: Recently released figures for 1966 indicate that Soviet trade with North Vietnam showed an over-all decline of 11 percent from 1965. The Soviet trade figures, however, do not present a complete picture since grant aid is excluded and most of the Soviet aid is believed to be in the form of grants. A comparison of shipping indicates that during 1966, 122 Soviet ships carrying commercial cargoes called at ports in North Vietnam--an increase of 54 percent over 1965--and the high volume of Soviet shipping into North Vietnam continued during the first six months of this year.

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Bloc Aid: Since 1954 the Communist countries have supplied an estimated \$1.4 billion in economic aid to North Vietnam. From 1954 through June 1967, the bloc countries are estimated to have supplied a nearly equal value of military aid.

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